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Poland

Stone Fruit

Annual

2007

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Report Highlights:

In 2006 increases in stone fruit production resulted in higher production of processed fruits and fruit juices, higher exports, and lower local and export prices. The 2007 crop is expected to be similarly good for stone fruits. An exception is potential lower production of tart cherries due to the cyclical nature of production and a bumper crop last year.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
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Executive Summary

Poland's fruit harvest in CY2006 was larger than the year before. Production of cherries and plums was greater, although peach and apricot production was lower. Considering the warm winter, it is expected that the 2007 crop will be also large, particularly for sweet cherries and plums.

The production of processed fruit will increase in MY2006/07 by about 10 percent, primarily for frozen fruit. The production of frozen cherries will increase by about 22 percent, while the production of frozen plums will almost double. Over a 100 percent increase is estimated in the production of concentrated cherry juice.

Increased supply of plums and tart cherries resulted in lower prices in domestic and European markets. Exports of fresh and processed cherries and apricots doubled from 2005. Imports of all stone fruit were lower, except for apricots which were at 2005 levels.

Production

According to the Main Statistical Office, the fruit harvest in CY2006 was 3.1 million tons, 9.3 percent higher than in CY2005. The drought in July did not have a negative effect on production. The winter cold resulted in lower production of peaches (33 percent down) and apricots (19 percent down). Production of tart cherries was 30 percent higher than in CY2005 and reached 182,000 tons, while the crop of sweet cherries was only slightly higher than in the previous year, 38,000 tons in CY2006 versus 37,500 tons in CY2005. The 2006 harvest of plums (98,000 tons) increased 7 percent from CY2005. Due to a lack of seasonal workers in big farms in summer 2006, some fruits, including tart cherries were not harvested.

As a result of the large harvest, the prices for stone fruits were almost all lower than in CY2005. Only sweet cherries were more expensive in CY2006 than in the previous year, a 7 percent increase.

Prices of stone fruits in the market (in PLN)		
	CY2005	CY2006
Tart cherries for freezing	2.4	1.35
Tart cherries for juice	1.45	0.9
Consumption plums	1.8	1.2
Plums for processing	0.9	0.4
Sweet cherries for processing	2.81	3
Exchange rate - US\$ 1=PLN 3		

Experts estimate that stone fruit production in 2007 will increase further. Trees fared well this winter which was not as cold as in 2005/06. The soil humidity is also at levels considered good for production. If a late frost does not destroy buds and flowers, the harvest should be similar or even greater than in 2006. Specialists estimate that the crop of sweet cherries and plums will increase, while the crop of tart cherries may decrease due to a very high yield in 2006.

Processing

The production of processed fruit products in MY2006/2007 will increase by about 10 percent compared with the previous year, up to 800,000 tons. The increase will be noticed in all sectors of fruit processing, but the biggest will be in frozen fruit. Frozen tart cherry production will be up 22 percent from 70,000 tons in MY 2005/06 to 85,000 tons in MY2006/07, while frozen plums production will almost double from 10,000 tons in MY2005/06 up to 18,000 tons in MY2006/07. Frozen tart cherries are the second largest produced processed fruit in Poland by quantities and value after strawberries, having 25 percent share of frozen fruit market. Production of concentrated fruit juices will also be higher in MY2006/2007 compared with the previous season. Over a 100 percent increase is estimated in the production of tart cherry juice, from 5,000 ton to 12-13,000 tons.

Consumption

According to the Main Statistical Office, the consumption of fruit and fruit products in 2005 decreased by almost one kilogram per capita compared with 2004 to 54 kilograms per capita. Considering the increased harvest and lower prices of fruit, it is estimated that the consumption in 2006 will increase to about 59 kilograms per capita.

Trade

The value of most fruit and fruit products' exports from Poland will increase in MY2006/07. However, the value of exported tart cherries and frozen plums specifically will decrease due to the increase in supply and resulting lower prices in the EU.

The value of exported concentrated cherry juice will decrease, as the export price changed from 4 Euros in MY2005/06 to 2 Euros in MY2006/07. The value of exported fresh plums and sweet cherries were lower in CY2006 than in CY2005, due to 50 percent decrease of export prices for plums, and almost stable prices for sweet cherries.

Due to a Russian moratorium on import of Polish food products, exports of stone fruit to Russia decreased considerably. This limitation resulted in a drop in quantity of more than 50 percent for plums, 48 percent for fresh cherries, and 60 percent for apricots. Most of fruit and fruit products exports are going to other EU member states, mainly to Lithuania, Czech Republic, Germany, and Ukraine.

Because of Poland's bountiful harvest, the imports of fresh plums and cherries dropped considerably in 2006. The volume and value of imported apricots did not change since 2005, and remained at 4,500 tons/year.

Quality requirements

Since 2005, Poland's common quality standards for peaches, nectarines, and plums have been harmonized with the EU's (see:

<http://www.cpvo.eu.int/others.php?res=1&w=792&h=510&lang=en&page=QT/fruit.htm>

and

<http://www.cpvo.eu.int/others.php?res=1&w=800&h=510&lang=en&page=Technical%20protocols/fruit.htm>).

CAP Reform

In January 2007, the European Commission proposed wide-ranging **reforms to the Common Market Organization for fruit and vegetables (F&V)** to bring this sector closer

in line with the rest of the reformed Common Agricultural Policy. The proposals aim to improve the competitiveness and market orientation of the F&V sector, reduce income fluctuations resulting from crises, increase consumption, enhance environmental protection and, where possible, simplify the rules and reduce the administrative burden to producers.

The reform would encourage more growers to join producer organizations; offer producer organizations a wider range of tools for crisis management; integrate the F&V sector into the Single Payment Scheme; require a minimum level of spending on environmental measures; raise EU funding of organic production and promotional measures; and abolish export subsidies for F&V. The Commission hopes that the Council and Parliament will approve the reform (which will be budget neutral) before the middle of 2007, allowing it to enter into force in 2008.

State Aid for fruit producers

As in all the EU, there are no subsidies for production or exports of stone fruit in Poland. Financial support is available for fruit producer organizations in specific cases. For example, when producers are facing low demand and low prices that would force them to incur losses, the Polish government can, under EU regulations, purchase the product for donation to charitable organizations at acceptable prices.

TABLES

Plums - PSD

PSD Table									
Country	Poland								
Commodity	Fresh Plums & Prunes					(HA)(1000 TREES)(MT)			
	2005	Revised		2006	Estimate		2007	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2005	01/2005		01/2006	01/2006		01/2007	01/2007
Area Planted	25500	25500	21000	25500	25500	22000	0	0	22000
Area Harvested	0	0	0	0	0	0	0	0	0
Bearing Trees	14000	14000	14000	14000	14000	15000	0	0	15000
Non-Bearing Trees	0	0	0	0	0	0	0	0	0
Total Trees	14000	14000	14000	14000	14000	15000	0	0	15000
Commercial Production	100000	100000	91000	125000	125000	98000	0	0	100000
Non-Comm. Production	0	0	0	0	0	0	0	0	0
Production	100000	100000	91000	125000	125000	98000	0	0	100000
Imports	2000	2000	2011	1000	1000	1500	0	0	1000
Total Supply	102000	102000	93011	126000	126000	99500	0	0	101000
Fresh Dom. Consumption	3000	3000	3000	4500	4500	4500	0	0	5000
Exports, Fresh	10000	10000	10000	18000	18000	13000	0	0	14000
For Processing	84000	84000	77011	100000	100000	78500	0	0	79000
Withdrawal From Market	5000	5000	3000	3500	3500	3500	0	0	3000
Total Distribution	102000	102000	93011	126000	126000	99500	0	0	101000

Plums – Exports

Country Poland**Commodity** Fresh Plums & Prunes

Time Period	Jan-Dec	Units:	MT
Exports for:	2005		2006
U.S.	1	U.S.	
Others		Others	
Russia	3789	Lithuania	3968
Germany	2524	Germany	1833
Czech Rep	1515	Czech Rep.	1720
Latvia	419	Russia	1617
Lithuania	375	Latvia	511
Hungary	285	Belarus	356
Slovakia	169	Estonia	270
Estonia	91	Austria	206
Belarus	60	Netherlands	174
Sweden	47	Belgium	150
Total for Others	9274		10805
Others not Listed	55		251
Grand Total	9330		11056

2006 data covers 11-month period of Jan-Nov.

Plums – Imports

Country Poland**Commodity** Fresh Plums & Prunes

Time Period	Jan-Dec	Units:	MT
Imports for:	2005		2006
U.S.		U.S.	
Others		Others	
Spain	807	Spain	546
Germany	326	Netherlands	290
Netherlands	318	Italy	142
Portugal	123	France	120
Italy	123	Chile	119
France	107	Germany	116
Hungary	90	Hungary	44
Greece	38	Austria	6
Chile	31	Greece	5
Serbia	20	Vietnam	1
Total for Others	1983		1389
Others not Listed	28		
Grand Total	2011		1389

2006 data covers 11-month period of Jan-Nov.

Fresh Cherries – PSD

PSD Table									
Country	Poland								
Commodity	Fresh Cherries,(Sweet&Sour)				(HA)(1000 TREES)(MT)				
	2005	Revised		2006	Estimate		2007	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2005	01/2005		01/2006	01/2006		01/2007	01/2007
Area Planted	50000	50000	44000	50000	50000	50000	0	0	50000
Area Harvested	50000	50000	50000	50000	50000	50000	0	0	50000
Bearing Trees	27400	27400	27400	27400	27500	27400	0	0	27400
Non-Bearing Trees	0	0	0	0	0	0	0	0	0
Total Trees	27400	27400	27400	27400	27500	27400	0	0	27400
Commercial Production	177000	177000	177400	250000	250000	220000	0	0	220000
Non-Comm. Production	0	0	0	0	0	0	0	0	0
Production	177000	177000	177400	250000	250000	220000	0	0	220000
Imports	1000	1000	1109	500	500	150	0	0	200
Total Supply	178000	178000	178509	250500	250500	220150	0	0	220200
Fresh Dom. Consumption	5000	5000	5000	9000	9000	6000	0	0	6000
Exports, Fresh	10500	10500	10500	20000	20000	23000	0	0	23000
For Processing	132500	132500	135000	176500	176500	171150	0	0	170000
Withdrawal From Market	30000	30000	28000	45000	45000	20000	0	0	21200
Total Distribution	178000	178000	178500	250500	250500	220150	0	0	220200

Fresh Cherries – Exports

Export Trade Matrix

Country Poland

Commodity Fresh Cherries, (Sweet&Sour)

Time Period	Jan-Dec	Units:	MT
Exports for:	2005		2006
U.S.		U.S.	
Others		Others	
Russia	7509	Lithuania	4709
Germany	972	Russia	3835
Latvia	595	Czech Rep.	2341
Belgium	354	Austria	2487
Belarus	350	Germany	2442
Lithuania	248	Latvia	1512
Estonia	120	Hungary	1495
Netherlands	83	Belarus	842
Sweden	13	Netherlands	796
Cyprus	5	Belgium	599
Total for Others	10249		21058
Others not Listed			300
Grand Total	10249		21358

2006 data covers 11-month period from Jan-Nov

Fresh Cherries – Imports

Import Trade Matrix

Country Poland

Commodity Fresh Cherries, (Sweet&Sour)

Time Period	Jan-Dec	Units:	MT
Imports for:	2005		2006
U.S.		U.S.	
Others		Others	
Hungary	411	Spain	43
Czech Rep.	297	Netherlands	28
Greece	165	Italy	22
Ukraine	65	Hungary	20
Serbia	55	Germany	20
Spain	49	Greece	7
Germany	32		
Turkey	19		
Total for Others	1093		140
Others not Listed	16		
Grand Total	1109		140

2006 data covers 11-month period from Jan-Nov

Apricots – PSD

PSD Table									
Country	Poland								
Commodity	Fresh Apricots					(HA)(1000 TREES)(MT)			
	2005	Revised		2006	Estimate		2007	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2005	01/2005		01/2006	01/2006		01/2007	01/2007
Area Planted	1700	1700	1500	1700	1700	1500	0	0	1500
Area Harvested	0	0	0	0	0	0	0	0	0
Bearing Trees	700	700	700	700	700	700	0	0	700
Non-Bearing Trees	0	0	0	0	0	0	0	0	0
Total Trees	700	700	700	700	700	700	0	0	700
Commercial Production	3500	3500	3200	4500	4500	2600	0	0	3000
Non-Comm. Production	0	0	0	0	0	0	0	0	0
Production	3500	3500	3200	4500	4500	2600	0	0	3000
Imports	4400	4400	4500	1700	1700	4300	0	0	4300
Total Supply	7900	7900	7700	6200	6200	6900	0	0	7300
Fresh Dom. Consumption	900	900	900	1000	1000	1000	0	0	1000
Exports, Fresh	700	700	500	1100	1100	1000	0	0	1000
For Processing	3800	3800	3800	3000	3000	3700	0	0	3800
Withdrawal From Market	2500	2500	2500	1100	1100	1200	0	0	1500
Total Distribution	7900	7900	7700	6200	6200	6900	0	0	7300

Apricots – Exports

Export Trade Matrix

Country Poland

Commodity Fresh Apricots

Time Period Jan-Dec Units: MT

Exports for: 2005 2006

U.S. U.S.

Others Others

Russia	400	Czech Rep.	325
Czech Rep.	45	Ukraine	280
Latvia	16	Russia	118
Belarus	14	Lithuania	99
Lithuania	4	Belarus	56
Germany	4	Moldova	36
		Latvia	22
		Germany	17

Total for Others 483 953

Others not Listed 2

Grand Total 485 953

2006 data covers a 11-month period from Jan to Nov.

Apricots – Imports

Import Trade Matrix

Country Poland

Commodity Fresh Apricots

Time Period Jan-Dec Units: MT

Imports for: 2005 2006

U.S. U.S.

Others Others

Greece	1501	France	1271
France	824	Spain	1248
Netherlands	784	Greece	640
Spain	735	Netherlands	538
Italy	295	Italy	257
Germany	202	Germany	198

Total for Others 4341 4152

Others not Listed 161 54

Grand Total 4502 4206

2006 data covers a 11-month period from Jan to Nov.